Government Contracting Division

AREA V, Colorado, Texas, New Mexico, Oklahoma, Arkansas, Louisiana

AUTHORIZATION

- 13 CFR 125.3 authorizes CMRs to conduct “periodic reviews and needs assessments” of large prime contractors.

MOU with DCMA

- DOD Contracting Officers delegate responsibility for compliance reviews to DLA/DCMA.
- Non-DOD to SBA
- Large prime contractors with both DOD and non-DOD contracts are under joint cognizance
- Agreement between DCMA and SBA Denver--only one review and common rating

Statutory Requirements

- Public Law 95-507 enacted in 1978
  - Created requirement for subcontracting plans
- Public Law 100-656 in 1988
  - Established a 5% Goal for SDB
- Public Law 103-355 (FASA) in 1994
  - Established a 5% Goal for Women
- FAC 97-20, FR 10/11/2000
  - goal of 3% Prime and in Subcontract plans

- Public Law 105-135 created a 3% goal for HUBZones
- Public Law 106-50 established a 3% goal for Vets and Service-Disabled Vets

Six Elements of a Subcontracting Plan: Element One -- Goals

- Separate Goals in dollars and percentages for SB, SDB, WOSB, HUBZone, Veterans and Service-Disabled SB Vets:
- A description of the principal types of supplies and services to be subcontracted and an identification of the types planned for subcontracting to SB, SDB, WOSB and HUBZones, Veterans and S-D Vets;
- A description of the method used to develop these goals;

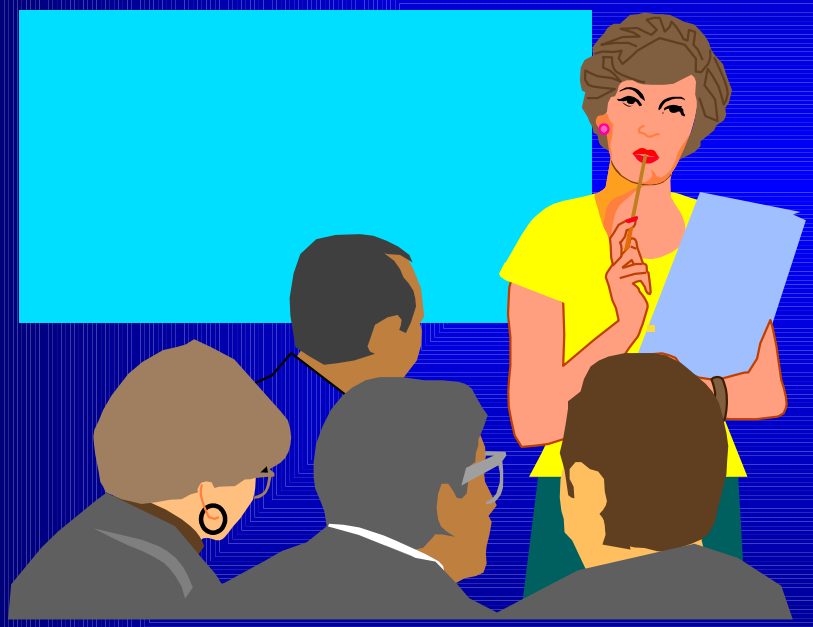
Six Elements of a Subcontracting Plan: Elements Two & Three

- The name of the person who will administer the subcontracting plan and a description of that person's duties;
- A description of the efforts that the company will make to ensure "maximum practicable opportunity for small business;

Six Elements of a Subcontracting Plan: Elements Four - Six

- An agreement to “flow down” the subcontracting requirements to other large business suppliers and subcontractors;
- An agreement to cooperate with SBA and submit periodic reports (specifically, the SF-294 and SF-295); and
- A summary of the the records that will be maintained to demonstrate compliance.

Required Elements of a Subcontracting Plan:



- For a more detailed description, see the Federal Acquisition Regulations (FAR) at 52.219-9.
- Upon request, SBA can provide a model subcontracting plan.

Subcontracting -- Compliance Reviews and Awards:

- PRE-AWARD PLAN REVIEWS
  - SBA's PCRs review subcontracting plans prior to contract award (advisory)
- POST-AWARD COMPLIANCE REVIEWS
  - SBA's CMRs monitor goal achievement after contract award

Types of SBA Post-Award Reviews

- Performance Reviews (also known as Desk Reviews)
- Program Reviews (also known as Compliance Reviews)
- Follow-up Reviews
- SOAR (Subcontracting Orientation & Assistance Reviews) (no rating given)

7 Elements of a Compliance Review

- Validation of the SF-294 & SF-295
- Five-Year Trend Analysis
- Overall Evaluation of SB Program
- Sampling of Contracts Containing Plans
- Sampling of PO’s to Large Business
- Follow-up on Prior SBA Recommendations
- Follow-up on SBA Referrals

7 Elements of a Compliance Review:

- Five-Year Trend Analysis
- Overall Evaluation of the SB Program
  - Organizational position of SBLO
  - Outreach
  - Training for buyers
  - Incentives/awards
  - Compliance with 13 CFR 121 (Certifications)

7 Elements of a Compliance Review Continued

- Effective purchasing procedures, commitment by CEO
- Demonstrated assistance, counseling, success stories
- Identification of adverse trends
- Mentor-Protégé
- Validation of the SF 294s and 295s

7 Elements of a Compliance Revies Continued:

- Sampling of contracts containing subcontracting plans Sampling of purchase orders to large business “If not, why not”

7 Elements of a Compliance Review Continued:

- Follow-up on Sourcing (especially for 8(a))
- Follow-up on Prior SBA recommendations

SBA's Ratings

- A - Outstanding
- B - Highly Successful
- C - Acceptable
- D - Marginal
- F - Unacceptable

What SBA Can and Cannot Do

- SBA Can:
  - Conduct needs assessments and compliance reviews
- SBA Cannot:
  - Prescribe the amount of subcontracting
  - Require the prime contractor to use a particular small business

Reporting Requirements

- SF-294 - Subcontracting Report for Individual Contracts
  - semi-annual and upon contract completion
  - cumulative from inception of the contract
  - not required for Commercial Products Plans
- SF-295 - Summary Subcontract Report
  - annual for civilian agencies; semi-annual for DOD
  - dollars are reported for only the current year

Reporting Requirements

- SF-294 and SF-295 are always due 30 days after the reporting period
- Submit originals to the procuring agency(ies) in accordance with their instructions
- Submit copies of SF-295 to SBA CMR
- Submit copies of SF-294 to SBA CMR upon request

SBA, Government Contracting Division

AREA I = CT. MA. ME. NH. NJ. NY. RI. VT.

AREA II = DC. DE. MD. PA. VA. WV.

AREA III = AL. FL. GA. KY. MS. NC. SC. TN.

AREA IV = IN. IA. IL. KS. MI. MN. MO. ND. NE. OH. SD. WI.

AREA V = AR. CO. LA. NM. OK. TX.

AREA VI = AK. AZ. CA. HI. ID. MT. NV. OR. UT. WA. WY.